



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
COVET & MANE, LLC.

Plaintiff,

- against -

INVISIBLE BEAD EXTENSIONS, LLC.

Defendants.
-----X

21-cv-7740 (JPC) (RWL)

ORDER

ROBERT W. LEHRBURGER, United States Magistrate Judge.

ORDER: The Court is entering on ECF the unofficial transcript of the proceeding obtained from the Microsoft Teams application. This unofficial transcript is provided at the parties' request for their off-the-record use. The Court has been unable to access a video recording from which an official transcript may be transcribed.

SO ORDERED.

ROBERT W. LEHRBURGER
UNITED STATES MAGISTRATE JUDGE

Dated: November 3, 2022

New York, New York

Copies transmitted this date to all counsel of record.

0:0:0.0 --> 0:0:0.170

Laura-Michelle Horgan

It's.

0:0:0.390 --> 0:0:6.950

Judge Robert W Lehrburger

All right, uh, so we are here for covet Maine versus invisible bead extensions.

0:0:7.740 --> 0:0:22.790

Judge Robert W Lehrburger

21 CB 77404 a conference to a dress. The plainest motion to amend its complaint to add a patent infringement claim and one other things and.

0:0:22.870 --> 0:0:42.130

Judge Robert W Lehrburger

So there were and they request to extend the discovery schedule. I have the defendants correspondence opposing that and I want to ask Mr Spendlove or Mr McMahon now that the patents issued, why shouldn't it be part of this case?

0:0:44.390 --> 0:0:45.610

Joel G. MacMull

Mr Spendlove, may I?

0:0:46.360 --> 0:0:47.560

Robert D. Spendlove

Yeah, go ahead please.

0:0:47.980 --> 0:1:20.890

Joel G. MacMull

Thank you. Good morning, your honor. It shouldn't be part of this case for a variety of reasons, and I believe we've set that forth in our correspondence, not the least of which is there is no case in controversy here. There simply is no standing. And so the date, as we indicated in our letter, the date of issuance of the patent is really immaterial to the issue of whether or not we have asserted a patent and whether or not there is standing for them to assert, you know, to assert their claim and and our fundamental problem, Your Honor, is that this the original complaint was filed almost to the day a year ago.

0:1:21.480 --> 0:1:51.780

Joel G. MacMull

And if they are permitted to essentially add patent claims to this case, it blows the doors off this case. And what was at one time a much narrower scope in terms of what we're addressing. And and I will and and I did speak with Mr Spendlove, we are prepared to in as much as there's a concern on the part of Covenant Main. We have no problem engaging in an undertaking indicating that we don't, at least until the date hereof, intend to file.

0:1:51.980 --> 0:2:11.450

Joel G. MacMull

Or sorry to assert a patent infringement claim. And so, frankly, I think if it came to it and if your Honor

deems it, that's a necessity. It seems that that would really vitiate any suggestion of there being an appropriate case in controversy for them to assert their patent claim in addition to the prejudice that I think would be born from now adding these claims a year later.

0:2:12.490 --> 0:2:35.0

Judge Robert W Lehrburger

Well, so if I look back at the demand letter that was sent on October 8th, 2019 on behalf of your client, it says that ibes invisible bead method is the subject of a pending patent application. Is that the patent? Was that referring to the patent application that has issued?

0:2:36.180 --> 0:2:52.530

Joel G. MacMull

Uh, Mr Spenlow was the author of that? I believe it does, but I will point out, your honor, that the letter that your Honor just referenced, of course, was not addressed to covet. Made the letter that it was addressed to covered Main is dated October 26, 2021, and that appears at docket entry 87, Dash 3.

0:2:53.340 --> 0:2:59.250

Joel G. MacMull

In that letter, Your Honor, I would submit that there is no assertion of any any patent claim.

0:3:0.400 --> 0:3:0.850

Judge Robert W Lehrburger

OK.

0:3:2.400 --> 0:3:4.0

Judge Robert W Lehrburger

Alright, so uh.

0:3:4.500 --> 0:3:5.320

Laura-Michelle Horgan

That's the same language.

0:3:5.400 --> 0:3:19.930

Judge Robert W Lehrburger

Let me ask the plaintiffs that, in light of their being no patent claim, having been asserted or currently asserted against the plaintiff, what basis is there for standing and to include the patent as a client?

0:3:22.10 --> 0:3:27.450

Laura-Michelle Horgan

The the defendants in this industry have asserted, have sent.

0:3:28.430 --> 0:3:38.600

Laura-Michelle Horgan

Dozens of cease and desist letters to clients who are similarly situated to COVID in Maine and who engage in education programs this patent.

0:3:39.780 --> 0:3:48.70

Laura-Michelle Horgan

Covers methods for installing hair wraps. That is the exact method that COVID and made teaches.

0:3:48.940 --> 0:3:50.770

Laura-Michelle Horgan

And has talked for years.

0:3:51.450 --> 0:4:6.880

Laura-Michelle Horgan

Provided made CEO defeated, Smith has videos years ago that teach people about kids from installing hair wax, including methods that essentially are substantially identical to the claims in this pattern.

0:4:8.330 --> 0:4:36.890

Laura-Michelle Horgan

They're offering to say that they won't sue COVID and made for activities up to this date, but they're not saying that they won't suit kilobit and made under this pattern for education that COVID and may may launch tomorrow aren't. They may have already been launched and that they that they don't know about COVID and Maine is in fact launching education programs and has been engaging in education. The education programs cover the methods that are substantially tied into this pattern.

0:4:37.590 --> 0:5:7.90

Laura-Michelle Horgan

This patent is a clear and apparent threat hanging over COVID, invade COVID and made has more than a reasonable apprehension of student. I will point out that during discovery, defendants have produced copies of cease and desist letters to numerous parties in the industry where they highlight the existence of these patent applications. One of these patent applications has matured into this patent. This patent is a Damocles sword hanging over the head of COVID invade and.

0:5:7.750 --> 0:5:37.490

Laura-Michelle Horgan

While they may say that they're willing to to enter into some sort of agreement that they won't suit COVID and Maine for what's happened up to today, what they won't tell you is that when COVID and Maines education program launches further, it goes, goes deeper into the industry. They walked in the future with refrain from suing COVID and made made look, if they're willing to admit that they will never sue COVID and made for education conducted by COVID and made under this pattern, we may have something to talk about, but.

0:5:37.690 --> 0:6:8.760

Laura-Michelle Horgan

Otherwise it it they're they're playing kind of a sham game. What's going on here is they have threatened everyone in the industry with this patent kovid and made falls within that category. And we have no choice. The other thing I wanna say you're on earth is from the outset, what we have alleged in this case is an entirely different issue about this pattern, which is that COVID and Maine has intentionally attempted to obtain invalid intellectual property rights and it, excuse me, lbe, the defendant.

0:6:9.630 --> 0:6:40.60

Laura-Michelle Horgan

I misspoke I VE has wrongly and intentionally and knowingly claimed invalid IP rights including this patent. They should know based on the priority that this patent is invalid as obvious and anticipated and

they have used this patent and their trademarks in order to threaten not only COVID and Maine, but numerous similarly situated parties in the industry. Our claim is that this is an antitrust violation. They are engaging in a Walker process antitrust violation, knowingly enforcing.

0:6:40.320 --> 0:6:41.910

Laura-Michelle Horgan

Now the antitrust valid.

0:6:39.600 --> 0:7:4.170

Judge Robert W Lehrburger

Let let, let, let, let. Let me let me stop you for a SEC. So. So you keep on referring to the fact that they've asserted the patent against others in the industry. That may be true, but they haven't asserted against you. So where is the the standing? You don't have standing based on their assertion of it against other entities. And the fact that they didn't assert against you might suggest that their carving you out as someone they would not.

0:7:4.580 --> 0:7:6.580

Judge Robert W Lehrburger

Uh, I sort of got.

0:7:5.320 --> 0:7:37.190

Laura-Michelle Horgan

Very respectfully, if they will agree to carve us out, that's that. We might have something to talk about, but the reality is our client is situated in exactly the same place. For example, we deposed last week of Karen Freeman company, Linda Freeman, Linda Freeman of the company called Formations, Formations provides education substantially similar to the education that our client has and will provide the cease and desist letter deformations. Specifically makes reference to these patent applications.

0:7:37.270 --> 0:8:7.860

Laura-Michelle Horgan

Our client is in exactly the same place as formation. The fact that it's COVID and main didn't mention the patent applications in the season is this letter is really not not relevant to the issue is whether COVID and Maine has a reasonable apprehension of suit the case though is clear that where there is a reasonable apprehension of suit, it doesn't matter whether there's been a cease and desist letter or not. Even if there was no cease and desist letter. If COVID and Main has a reasonable apprehension of suit, it has the right to bring it declaratory judgment action.

0:8:8.100 --> 0:8:36.760

Laura-Michelle Horgan

Of nodded fragment and to declare the patents invalid, and that's what we're we're we're alleging here. This is a very serious matter. You're the issue of rightness is something that the Federal Circuit has addressed in numerous cases. I think we squarely fall within the range of parties who have the right to assert declaratory action of noninfringement in a situation like this. And at the very least, I would request the right to fully brief this issue.

0:8:38.110 --> 0:8:38.450

Robert D. Spendlove

Let's see.

0:8:37.680 --> 0:8:40.950

Judge Robert W Lehrburger

Mr McFall and or Mr Mr Spann, love.

0:8:41.270 --> 0:9:10.300

Judge Robert W Lehrburger

I why? Why isn't it sufficient that they're operating under a the apprehension that they could be facing a patent infringement claim that they'll be deterred from offering teaching of their methods where the methods they have in mind, even without you having yet the certed dependent against them? And I guess I would throw in with that will would you would you provide an undertaking that?

0:9:11.170 --> 0:9:21.140

Judge Robert W Lehrburger

That IE will not assert the patent against the teaching of the methods that.

0:9:22.280 --> 0:9:24.670

Judge Robert W Lehrburger

The Covenant main has been undertaken.

0:9:25.500 --> 0:9:29.180

Joel G. MacMull

Well, let me, Mr Spendlove, go ahead. I'm sorry. I was gonna defer to you anyway.

0:9:28.180 --> 0:9:34.110

Robert D. Spendlove

Yeah, if I may, if I may, your honor. I think there are two things here. The first is the that.

0:9:36.490 --> 0:9:54.550

Robert D. Spendlove

The Covenant means argument here, made by their council, illustrates exactly the issue that we face here. They're basically they they have no product. They have launched no product. They haven't been accused of infringement, and they're asking this court to give an advisory opinion on a product that hasn't even launched.

0:9:55.340 --> 0:10:3.970

Robert D. Spendlove

Now, that's not the same thing as they're being a case in controversy. You can't say that you're under, you know, apprehension of being sued when you haven't even launched a product. How would we even know?

0:10:4.760 --> 0:10:36.900

Robert D. Spendlove

Whether they're product in infringes the client and I think there's been a misrepresentation of of the what was included in the the letters certainly covet IB has identified that they own a patent. But with

regard to the the case they brought up Miss Freeman, there was no assertion of the patent, no request that they cease infringing the patent or the application. The letter simply, you know, lay out the IP that that covered and or excuse me IDE has and then asserted a trademark and that's what's at the core of this case right here is a trademark and at each step.

0:10:37.280 --> 0:10:40.950

Robert D. Spendlove

You know, covet Maine has mechanisms to challenge this patent.

0:10:56.320 --> 0:10:57.80

Laura-Michelle Horgan

Your daughter that.

0:10:41.690 --> 0:10:57.990

Robert D. Spendlove

Right. Hauling it into this case at this point is not that it, especially considering they don't have an A product. They're asking that the court for an advisory opinion on a patent that hasn't been asserted against a product that hasn't been launched. I I don't know how that could, could be ripe and how there could be sanding.

0:11:8.100 --> 0:11:8.780

Laura-Michelle Horgan

It has been.

0:10:57.300 --> 0:11:11.750

Judge Robert W Lehrburger

It could hold on. Hold on. This should. Could you just clarify something for me, Mr Spendlove? You say a product that that hasn't been launched? I was under the impression that covered Main did have product that was providing services and that's why we have a trademark infringement claim, among other things.

0:11:38.860 --> 0:11:40.690

Laura-Michelle Horgan

You're right. Or that's just that's.

0:11:12.330 --> 0:11:41.130

Robert D. Spendlove

I don't know to what they're referring. The only thing that I'm aware of is the the, the, the Covenant main Academy and and that's the shows that the the the first one might be next month and that they have it listed for join our wait list for 2023. So we're not aware of I'm I'm not saying that they don't we haven't made this investigation and that's why I said all of this is is premature because we're not even aware of a product against which we would assert the patent let alone having asserted it.

0:11:42.0 --> 0:11:42.450

Judge Robert W Lehrburger

OK.

0:11:41.980 --> 0:12:13.10

Laura-Michelle Horgan

God, that's just not true. We've produced to them recently documents showing the education programs anticipated to be provided by the COVID and made Academy when produced to them, and multiple documents, including videos showing the activities of the COVID and Main Academy and the other thing that's happened here is because of this pattern, it has slowed down. It has slowed down the launch of the COVID and made Academy precisely because COVID and made has feared this patent.

0:12:13.150 --> 0:12:42.730

Laura-Michelle Horgan

Has feared that once it launches this case, it will be sued this patent without any question, covers in substantial part the methods that anyone in the industry, including COVID of Maine, would use to teach people how to install herwitz. In fact, COVID and Maine has launched the the Academy after great concern about this patent, they've still moved ahead. They've launched it. There will be programs that are presented by COVID and Mania, and you can bet that.

0:12:43.160 --> 0:12:50.560

Laura-Michelle Horgan

That, that, that, all things being equal that we that COVID COVID made will be sued under this patent by IE.

0:12:51.10 --> 0:12:52.110

Joel G. MacMull

You, your Honor, if I may.

0:12:52.400 --> 0:12:52.780

Judge Robert W Lehrburger

Yeah.

0:12:53.650 --> 0:13:23.390

Joel G. MacMull

Your Honor, in as much as plaintiff believes that this is a viable claim, and I certainly have my reservations, there is nothing to preclude them from starting a separate proceeding. My my fundamental objection, among others, is that there are now looking to add this claim. You know, certainly I think what is it eight months after the scheduling order provided for the amendment of the complaint and and to do that at this juncture, Your Honor, when we are certainly far closer to closing fact discovery than not tax on to this case, you know.

0:13:23.460 --> 0:13:53.700

Joel G. MacMull

And your Honor is obviously intimately familiar with patent proceedings. I mean, claim construction. It just blows the doors off. This, as I said earlier, and I I think the appropriate inasmuch as the Court is going to grant them the opportunity to make the claim that let's do that in a separate proceeding because this case, you know, well, look, I'm not going to editorialize, but in as much as they're going to assert, assert it, it can be done in a separate proceeding. And I would submit to you that under the circumstances, that would be far more efficient than tacking it on to this case at this juncture.

0:13:54.440 --> 0:13:58.450

Judge Robert W Lehrburger

And we're just remind me where where what is the Discovery cutoff currently?

0:13:59.110 --> 0:14:26.800

Joel G. MacMull

The discovery cutoff date, Your Honor, was September the 2nd we had during our last conference. Your Honor, may recall that we had an informal discussion and there was an agreement to at least extend it until September 30th. Obviously, one of the the applications before your Honor is that the plaintiff is taking the position that they should be provided 60 days and then an additional 90 days from the date in. In the event that there are added complaint would be granted. So at a minimum, we're looking at November.

0:14:26.890 --> 0:14:33.170

Joel G. MacMull

I believe November 30th and then for a period of 90 days thereafter, and that appears, I believe, in their application.

0:14:34.800 --> 0:14:38.990

Joel G. MacMull

Uh, pardon me. That would be their application.

0:14:51.600 --> 0:14:53.190

Judge Robert W Lehrburger

60 day follow up on 90.

0:14:40.340 --> 0:14:53.600

Joel G. MacMull

Uh, that is. I'm sorry. Uh, ECF 108 and it appears I think on page 7 in which they make that request for a six month followed by a 90 day this, sorry 60 days followed by 90 days.

0:14:54.880 --> 0:14:55.750

Laura-Michelle Horgan

You, your honor.

0:14:54.30 --> 0:14:59.620

Judge Robert W Lehrburger

Right. So yeah, so why? Why shouldn't the patent, Mr Ross? Why? Why shouldn't?

0:15:5.70 --> 0:15:5.830

Laura-Michelle Horgan

Well then.

0:15:1.20 --> 0:15:11.390

Judge Robert W Lehrburger

It's why what is so bad about bringing a separate action, given where this litigation is and aren't the patent claims really unto themselves quite different than the trademark claim?

0:15:11.490 --> 0:15:41.630

Laura-Michelle Horgan

Absolutely not that there's an inextricable relationship between the trademark and patent things you have to take into account. Your Honor, both our defenses to their trademark infringement claims and our affirmative claims. We have a claim that IE has wrongfully attempted to obtain both trademark and patent rights and enforce them against COVID, and may knowing that these rights are invalid. The trademark in validity turns, in fact, on the argument that the trade.

0:15:41.720 --> 0:15:51.320

Laura-Michelle Horgan

Mark is descriptive and and involves a functional utilitarian matter, and that function Terry matter.

0:15:49.410 --> 0:15:55.510

Judge Robert W Lehrburger

Right, But we're talking trademark. I wanna. So you mentioned something, though. I thought I heard you say that.

0:15:56.70 --> 0:16:0.730

Judge Robert W Lehrburger

Uh, in your or claim there's you have alleged?

0:16:1.340 --> 0:16:2.50

Judge Robert W Lehrburger

Uh.

0:16:4.290 --> 0:16:10.240

Judge Robert W Lehrburger

A claim that turns on the patent, but I thought we established last time that hadn't been. That wasn't so.

0:16:19.120 --> 0:16:19.440

Judge Robert W Lehrburger

Right.

0:16:10.550 --> 0:16:41.100

Laura-Michelle Horgan

That's not true. What we allege is that they that the patent applications that at the time we brought this case, there was no patent, OK, there were pending patent applications and we've alleged in this case that those patent applications themselves should not have been brought, that they were part of a scheme to wrongfully obtain and enforce invalid IP rights. So the patent applications have been, in this case from the beginning. The thing that has changed is that one of the patent applications has matured into a patent.

0:16:41.240 --> 0:17:8.80

Laura-Michelle Horgan

And it is only reasonable unfair that that patent now comes into the case. This court will have to deal with that issue on our claims of Walker process antitrust on our claim that plaintiffs have engaged in a scheme to wrongly obtained invalid IP rights and enforce them against COVID and made it also relates to our formative defenses, our affirmative defense in this case that they've issued. I VE has sued.

0:17:9.810 --> 0:17:19.890

Laura-Michelle Horgan

COVID and made for trademark infringement, we have counterclaimed that their trademark is invalid as functional descriptive engineering.

0:17:22.760 --> 0:17:23.460

Joel G. MacMull

Talking about.

0:17:20.580 --> 0:17:34.360

Laura-Michelle Horgan

The patent, the patent, the evidence of the patent and what it covers goes to the heart of the defense of whether the trade mark is descriptive, generic and functional, and invalid for that reason.

0:17:35.370 --> 0:17:49.220

Laura-Michelle Horgan

And I will point out your adder on that issue in in there are other jurisdictions in which this very trademark has been the subject of scrutiny by by patent examiners who've raised this very same issue. So we're not just.

0:17:47.860 --> 0:17:58.500

Judge Robert W Lehrburger

Sorry, but trademark and patent, you're still. You're still conflating some concepts there and the the the question is whether that you know there should be a claim allowed for patent invalidity.

0:17:59.620 --> 0:18:8.10

Judge Robert W Lehrburger

Even without the assertion of a patent infringement claim, and if you have a claim that.

0:18:9.210 --> 0:18:18.800

Judge Robert W Lehrburger

Like you said, Walker process or something in that nature. And I'm not saying I just don't recall the the extent of it, but assuming there were a legitimate claim along those lines, then perhaps.

0:18:20.60 --> 0:18:34.630

Judge Robert W Lehrburger

It would be the the pattern would be relevant now that it that it has a mature, but does your complaint actually or anything you've played actually alleged Walker process?

0:18:40.910 --> 0:18:42.100

Judge Robert W Lehrburger

Right. OK.

0:18:33.240 --> 0:18:43.130

Laura-Michelle Horgan

Absolutely, absolutely. We, we we we locations for this path. We plan a permit act and playing act we absolutely that's a huge part of this case.

0:18:43.290 --> 0:18:48.500

Judge Robert W Lehrburger

And and Mr McMahon, has the defendants filed a motion to dismiss that claim?

0:18:49.300 --> 0:18:49.690

Judge Robert W Lehrburger

Or no.

0:18:50.360 --> 0:18:54.440

Joel G. MacMull

We have not your, your Honor. We we counteract. I just wanna clarify something. There is.

0:18:53.610 --> 0:19:8.400

Judge Robert W Lehrburger

So, so. So hold on. So if if you haven't moved to dismiss that claim and the claims in the case, why does, why isn't the patent relevant and invalidity claim simply part and parcel of their Walker process claims?

0:19:9.310 --> 0:19:17.310

Joel G. MacMull

First of all, I I disagree that they've properly pled it. Your Honor, we we've had this debate before. They have some reference to a Sherman act claim in their wherefore clause.

0:19:17.180 --> 0:19:19.270

Laura-Michelle Horgan

Birth plan? No, he has.

0:19:18.800 --> 0:19:19.390

Joel G. MacMull

I don't.

0:19:22.650 --> 0:19:22.910

Judge Robert W Lehrburger

Yeah.

0:19:22.880 --> 0:19:23.90

Laura-Michelle Horgan

I.

0:19:21.200 --> 0:19:24.810

Joel G. MacMull

Can I finish, please? Council. I I don't think you know.

0:19:26.50 --> 0:19:40.420

Joel G. MacMull

I I don't even understand, to be perfectly honest, and I've been now litigating this case for the better part of a year. I don't even understand their patent related claims, but I do know that there's not an invalidity claim. And for all the reasons I've mentioned, your honor, if they wanna bring their invalidity.

0:19:39.650 --> 0:19:43.260

Judge Robert W Lehrburger

Well, again, there wasn't any validity claim because there was no patented issued.

0:19:44.770 --> 0:19:45.30

Joel G. MacMull

I.

0:19:44.380 --> 0:19:51.650

Judge Robert W Lehrburger

If if they if if it had issued at the time this case began, I have no doubt they would have asserted invalidity of the pattern.

0:19:52.450 --> 0:20:12.100

Judge Robert W Lehrburger

Based on the theories they they they've been bringing, it's really a question I think as you noted of at this time is this is a is a too late if you will to bring it into this action and instead of having it as part of a separate action. On the other hand it's.

0:20:12.490 --> 0:20:19.380

Judge Robert W Lehrburger

It's I. I'll. I'm gonna go back and take a look at the complainants plan, but it may well be.

0:20:30.900 --> 0:20:32.770

Joel G. MacMull

And your honor, I'm. I'm sorry.

0:20:20.960 --> 0:20:37.350

Judge Robert W Lehrburger

Jermaine, to directly germane to the claim they they've asserted for which there is no motion to dismiss me, so I need to go back and look at that. But if it if it blows the doors open, so to speak, well, that's a function of part of the patent having issued.

0:20:40.510 --> 0:20:40.930

Judge Robert W Lehrburger

Sure.

0:20:38.200 --> 0:21:10.340

Joel G. MacMull

Your Honor, I do invite you to consider something, and we address this during our last call. You know, they talk about a Walker process claim and in a prior submission, and if afforded the opportunity, I'm I'm happy to point that out to Your Honor, perhaps even informally in an e-mail I made very clear that the basis for their patent claim as pledged in the first amended complaint notwithstanding my misunderstanding or or my my lack of ability to comprehend what exactly have he ended the day is at issue is negated by the nor Pennington doctrine. And specifically I cited to cases in the Second Circuit that said in.

0:21:10.440 --> 0:21:19.880

Joel G. MacMull

Essence that the suggestion that a cease and desist notice could somehow give rise to some, I guess.

0:21:21.660 --> 0:21:40.290

Joel G. MacMull

Something untoward on behalf of of the of the the the, the, the the defendants, in this case essentially some fraudulent activity or in is completely negated. So my point is, even if there is a legal basis for the position that Mr Ross has taken, it is negated by the nor Pennington doctrine.

0:21:47.170 --> 0:21:47.560

Joel G. MacMull

Also.

0:21:40.30 --> 0:22:7.240

Judge Robert W Lehrburger

Well, well, wait. You put the North Pennington doctor in the context of the cease and desist letter, but we're beyond the cease and and desist letter they've asserted. They've asserted a claim that implicate you know, for antitrust, et cetera, that implicates the various intellectual property rights, which of which now they issue patent is 1. So how does more Pennington protect in that situation?

0:22:8.40 --> 0:22:31.920

Joel G. MacMull

As I understand your Honor's point I I I suppose though there's still been no representation on our part, that there is and you know that we are asserting the patent. And so I still think you we we are fundamentally end up in the same place. I understand that the patent is now issued. I mean obviously your Honor will take a look at the prior submissions if you don't mind the runner, I will send your chambers an e-mail. I understand I may not be responsive to your question.

0:22:32.110 --> 0:22:32.470

Laura-Michelle Horgan

So.

0:22:30.860 --> 0:22:35.540

Judge Robert W Lehrburger

Well, no, don't send an e-mail. Whatever you send should be a letter on on on the docket.

0:22:35.720 --> 0:22:37.850

Joel G. MacMull

Fine, fair enough. Fair enough. We'll we'll take.

0:22:37.40 --> 0:22:39.810

Laura-Michelle Horgan

OK, you're our baby. We have the opportunity for responded.

0:22:39.590 --> 0:22:47.380

Judge Robert W Lehrburger

Any anything that, anything that is is put in by the defendant, plaintiff will have an opportunity to respond to for sure.

0:22:47.160 --> 0:22:47.480

Laura-Michelle Horgan
That.

0:22:47.140 --> 0:22:55.290

Joel G. MacMull

I guess my only my only reservation here honor would be that in so far as your Honor is inclined to, and I suppose this would be true of both issues.

0:22:56.890 --> 0:23:3.860

Joel G. MacMull

Insofar as your Honor is inclined to, well, I guess if your Honor is gonna permit amendment, then you're by extension gonna extend fact discovery so.

0:23:3.860 --> 0:23:4.250

Judge Robert W Lehrburger
Right.

0:23:4.800 --> 0:23:16.210

Joel G. MacMull

I understand that. I guess I would just we would want to reserve our rights for formal briefing on the issue, which is also I think consistent with Mr Ross's asked. So with that, I'm not sure there's anything more to be said at this juncture.

0:23:17.690 --> 0:23:26.720

Judge Robert W Lehrburger

Alright, well look, you've both asked for formal briefing. I like to avoid formal briefing when it's not necessary. But that's why we do have the letter exchange.

0:23:28.290 --> 0:23:37.520

Judge Robert W Lehrburger

You know, if we go, if we go with the formal briefing, it is going to audit, that's gonna certainly draw things out by a few months at least and.

0:23:37.920 --> 0:23:46.930

Judge Robert W Lehrburger

Uh, you know then, if if the motion is granted, that will just result in yet further extensions. So.

0:23:47.270 --> 0:24:0.320

Judge Robert W Lehrburger

Uh, yeah. You know whether the formal briefing end is worthwhile at leave that to all of you. But let me ask Mr Ross, when can you get your motion formal motion to amend in?

0:24:1.800 --> 0:24:2.590

Laura-Michelle Horgan
Is an amended?

0:24:2.790 --> 0:24:5.510

Laura-Michelle Horgan

Within two weeks 2 weeks.

0:24:6.10 --> 0:24:12.540

Judge Robert W Lehrburger

All right. And that would bring us to the 26th. And Mr McMullen. Mr Spendlove, when would you be able to respond?

0:24:14.660 --> 0:24:24.20

Joel G. MacMull

I'm just sorry, your honor. Before I do respond, it is your Honor now ordering formal briefing on the issue. Or are you just entertaining the possibility? I'm just a little confused in terms of what you.

0:24:23.270 --> 0:24:25.150

Judge Robert W Lehrburger

Well, no. I'm gonna. I'm gonna take formal briefing.

0:24:25.770 --> 0:24:26.110

Joel G. MacMull

OK.

0:24:25.840 --> 0:24:27.60

Judge Robert W Lehrburger

Both parties have requested it.

0:24:27.860 --> 0:24:28.410

Joel G. MacMull

OK.

0:24:29.790 --> 0:24:31.220

Joel G. MacMull

Mr Spendlove, do you have?

0:24:33.280 --> 0:24:33.800

Robert D. Spendlove

But.

0:24:32.980 --> 0:24:39.630

Joel G. MacMull

They're going to be submitting by the 26th. We would like the opportunity, I guess until the 10th.

0:24:40.400 --> 0:24:43.470

Joel G. MacMull

October to actually I that's Columbus Day, is it not?

0:24:43.30 --> 0:24:43.880

Judge Robert W Lehrburger

That's quite understand.

0:24:44.430 --> 0:24:47.660

Joel G. MacMull

OK, very good. Can we get actually, can we have the 12th if you don't mind, your honor.

0:24:48.180 --> 0:24:52.280

Judge Robert W Lehrburger

October 12th and then for a reply, Mr Ross or miss working.

0:24:52.390 --> 0:24:53.170

Laura-Michelle Horgan

Another week.

0:24:53.420 --> 0:24:55.210

Judge Robert W Lehrburger

Yeah. So that would bring us to the 19th.

0:24:55.910 --> 0:24:59.740

Laura-Michelle Horgan

Forget out, since 20 planner on the 20th is the 20th, OK?

0:25:0.850 --> 0:25:1.470

Judge Robert W Lehrburger

Sure.

0:25:1.730 --> 0:25:2.360

Laura-Michelle Horgan

Thank you.

0:25:2.760 --> 0:25:6.550

Judge Robert W Lehrburger

OK, so 2612 and 20th.

0:25:11.240 --> 0:25:11.620

Laura-Michelle Horgan

You are.

0:25:12.620 --> 0:25:12.880

Laura-Michelle Horgan

But.

0:25:7.570 --> 0:25:14.950

Judge Robert W Lehrburger

I am. We'll we'll take briefing on it and it'll be considered in due course. But what does that? I'm sorry. We I was gonna.

0:25:14.250 --> 0:25:22.650

Laura-Michelle Horgan

May I ask for clarification because we've also asked for leave to amend in addition to the patent claims, to add an additional party or parties.

0:25:23.210 --> 0:25:23.930

Judge Robert W Lehrburger
Ah yes.

0:25:24.210 --> 0:25:28.100

Laura-Michelle Horgan
And and so that's a whole separate issue here and that that.

0:25:27.500 --> 0:25:35.380

Judge Robert W Lehrburger
And and miss and Mr Ross. Is that all? What is that based on? Is that based on the the new documentation that was produced?

0:25:35.520 --> 0:25:48.980

Laura-Michelle Horgan
Yes, your honor. And the deposition that was produced after, I mean, I must say you're on or after this party attempted since at least July. And I'm being charitable to evade service of process. The reason we only deposed this party.

0:25:49.630 --> 0:26:1.490

Laura-Michelle Horgan
In Utah, or in a couple couple weeks ago was that there was a in my belief that concerted effort to evade service of process that went on for months, console for IB.

0:26:1.40 --> 0:26:32.150

Judge Robert W Lehrburger
Right, let's put that. Let's put that aside for for the moment I'm more interested in the substance of the amendment. I believe Mr McMahon. Mr Spendlove, you referred to generally to the ring information out there by which they knew of these particular defendants. But what I'm taking from what's before me is that they didn't have the information that was would allow them to make a good faith claim against these individuals. And now with the production, it was made much more recently.

0:26:32.310 --> 0:26:39.40

Judge Robert W Lehrburger
They have that and feel they have that, and so there are including those defend those individuals as defendants. So why shouldn't that be permitted?

0:26:40.260 --> 0:26:57.70

Joel G. MacMull
Because I I, I respectfully disagree with the representation, your Honor. And if we're, if your Honor is going to take formal briefing on the 1st issue, why don't we take formal? Why don't we take formal briefing on adding the parties as well? Because I would submit to you that that the record needs to be further developed and I would obviously want to demonstrate for the Court exactly what they knew and when they knew it.

0:26:57.270 --> 0:26:57.690

Judge Robert W Lehrburger
Alright.

0:26:58.390 --> 0:27:0.100

Judge Robert W Lehrburger

Alright, we'll include that in the briefing.

0:27:0.990 --> 0:27:2.340

Judge Robert W Lehrburger

All aspects of the amendment.

0:27:3.860 --> 0:27:6.850

Judge Robert W Lehrburger

And then in terms of discovery?

0:27:7.470 --> 0:27:8.140

Judge Robert W Lehrburger

Uh.

0:27:9.230 --> 0:27:15.910

Judge Robert W Lehrburger

What? You know, that obviously puts discovery on the side with respect to those issues.

0:27:16.550 --> 0:27:24.780

Judge Robert W Lehrburger

Uh, arguably. But is there other discovery that remains to be done or that would be the basis for request for an extension, Miss Morgan?

0:27:25.350 --> 0:27:26.220

Laura-Michelle Horgan

Yes, your honor.

0:27:27.340 --> 0:27:39.730

Laura-Michelle Horgan

We did try. I took the deposition of Miss career in Utah and despite a representation that everything had been produced in response to this subpoena, she testified that she had not even searched for.

0:27:40.930 --> 0:27:48.20

Laura-Michelle Horgan

I except for one category. All of the documents asked for in the subpoena, and she testified that she had them.

0:27:49.150 --> 0:28:2.340

Laura-Michelle Horgan

I sent a letter to opposing counsel last week to confer with them about that, listing the documents and providing her transcript. I have not yet received a response to that. We also sent a letter last week.

0:28:3.520 --> 0:28:29.530

Laura-Michelle Horgan

That to confer about documents that were requested and not produced during the depositions of Mackenzie Turley, Tyler Turley and Brett Turley, I've not received a response to that yet. It appears that

none of Tyler Turley's WhatsApp communications text or emails have been produced. I asked for confirmation of that last week and I did not receive a response to that. Finally.

0:28:30.980 --> 0:28:36.170

Laura-Michelle Horgan

We found at the very end, your honor, like document 10,300 and something.

0:28:37.310 --> 0:29:3.330

Laura-Michelle Horgan

Communications between the Kenzie trailing and Tyler Turley referencing quote Covenant Main Top secret documents. I also emailed the posing Council last week and asked what was in these what are these documents? I have not yet received a response and I would just note that because they were at the very end of the production that we received three days before we began the depositions in Utah. We weren't able to ask the witnesses about those documents, so there is.

0:29:4.40 --> 0:29:9.510

Laura-Michelle Horgan

All of that to be addressed and then in addition to that, we are issuing third party subpoenas.

0:29:10.950 --> 0:29:15.400

Laura-Michelle Horgan

To persons that were mentioned for the first time in the depositions in Utah.

0:29:15.880 --> 0:29:18.660

Laura-Michelle Horgan

And those will be out probably by tomorrow.

0:29:20.290 --> 0:29:28.350

Judge Robert W Lehrburger

All right. And Mr McMullen, Mr Spendlove, why shouldn't discovery be extended to accommodate ongoing issues that the parties have?

0:29:30.170 --> 0:29:39.390

Joel G. MacMull

Well, first of all, Your Honor, I will point out that the correspondence that Miss Horgan refers to was served on Thursday and Friday of last week. We are reviewing that and preparing a response.

0:29:42.320 --> 0:30:13.930

Joel G. MacMull

You know, again, your honor, when they ask for an extension of discovery, it's not as if our position was no. I merely suggested that September the 30th was sufficient, giving them at the time of their application, some 30 days to complete discovery. I'll also point out, and I don't have the exact date in front of me, that the depositions in Utah concluded about three weeks ago. So the suggestion that there is not ample time to conduct these apparent, I still don't know the identities of these individuals. And I said this in my application, who they intend to subpoena within the remaining time of September.

0:30:15.70 --> 0:30:21.650

Joel G. MacMull

You know, I I don't think they've made an adequate showing. Again, it's their application you're on or they have to demonstrate good cause. And I would submit they haven't done it.

0:30:23.260 --> 0:30:27.690

Joel G. MacMull

But you know, obviously your Honor will make a determination in the way that you see fit.

0:30:27.710 --> 0:30:57.830

Judge Robert W Lehrburger

Alright, well look the the issues are percolating and there are concerns about what implications there are from the large package of documents that was produced at the time it was and whether that requires additional time. I am going to extend discovery, I'm going to extend it right now to October 31st. Obviously if you complete things beforehand, you'll let me know, but this will give time for.

0:30:57.920 --> 0:31:4.710

Judge Robert W Lehrburger

Be issues between you to be met and conferred upon and resolved and pursue third parties that if need be.

0:31:6.360 --> 0:31:15.100

Judge Robert W Lehrburger

And and I since we're having the motion to amend any way, I think it's appropriate. So that's what I'm doing at the moment.

0:31:22.200 --> 0:31:22.740

Judge Robert W Lehrburger

So.

0:31:15.470 --> 0:31:23.860

Joel G. MacMull

Your Honor, can I ask for some clarification? The the motion that we're going to be briefing is your honor. Gonna make that determination or does it go to the District Judge? I ask because I'm, if the dispositive motion, isn't it?

0:31:30.790 --> 0:31:31.40

Joel G. MacMull

Right.

0:31:36.970 --> 0:31:38.260

Joel G. MacMull

As you were referral order, right?

0:31:24.120 --> 0:31:41.610

Judge Robert W Lehrburger

Uh. So on motions to amend. We typically will issue a report and recommendation if the if the District Judge wants to refer to us, sometimes the District Judge will take it upon themselves to do it directly without a report and recommendation.

0:31:42.290 --> 0:31:42.780

Joel G. MacMull

Very good.

0:31:45.600 --> 0:31:48.810

Judge Robert W Lehrburger

Already anything else we need to discuss, Mr Ross.

0:31:49.220 --> 0:31:51.220

Laura-Michelle Horgan

I think that's it. You're right. Thank you very much.

0:31:51.510 --> 0:31:53.220

Judge Robert W Lehrburger

All right, Mr McMahon. Mr Berman.

0:31:53.660 --> 0:31:55.10

Joel G. MacMull

Not at this time. You're here. Thank you.

0:31:55.410 --> 0:31:56.0

Robert D. Spendlove

Thank you, Ronnie.

0:31:55.300 --> 0:31:57.390

Judge Robert W Lehrburger

All right. Thank. Thank you all. We're adjourned.

0:31:57.910 --> 0:31:58.620

Laura-Michelle Horgan

Thank you.